

David Shallenberger proposes the following substitute bill:

Critical Minerals Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ann Millner

House Sponsor: David Shallenberger

LONG TITLE

General Description:

This bill addresses critical minerals.

Highlighted Provisions:

This bill:

- ▶ facilitates faster permitting by the Department of Environmental Quality and the Division of Oil, Gas, and Mining;
- ▶ addresses property tax differentials based on critical minerals zones;
- ▶ defines terms;
- ▶ establishes the state critical minerals objectives and policy, including providing for annual reviews;
- ▶ creates the Critical Minerals Council (council), including establishing the council's operations, powers, and duties;
- ▶ makes money appropriated to the council nonlapsing;
- ▶ addresses areas of coordination by certain council members;
- ▶ establishes a process to designate critical minerals zones, including providing for property tax differential revenue;
- ▶ provides for the creation of a clearinghouse of data to be known as the "Critical Minerals Atlas";
- ▶ addresses the creation of the Minerals for Industrial, National, and Economic Security Center;
- ▶ creates the Critical Minerals Development Account;
- ▶ coordinates with H.B. 373, Higher Education Innovation, to address inclusion of critical minerals projects in the eligible research areas for research grants; and
- ▶ makes technical and conforming amendments.

Money Appropriated in this Bill:

29 This bill appropriates \$11,000,000 in operating and capital budgets for fiscal year 2027, all
30 of which is from the various sources as detailed in this bill.

31 **Other Special Clauses:**

32 This bill provides a coordination clause.

33 **Utah Code Sections Affected:**

34 AMENDS:

35 **59-2-924 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
36 Session, Chapter 15

37 **63J-1-602.2 (Effective 05/06/26) (Partially Repealed 07/01/29)**, as last amended by Laws
38 of Utah 2025, First Special Session, Chapter 17

39 **79-2-201 (Effective 05/06/26) (Partially Repealed 07/01/29)**, as last amended by Laws of
40 Utah 2025, Chapter 93

41 ENACTS:

42 **19-1-209 (Effective 05/06/26)**, Utah Code Annotated 1953

43 **40-8-5.5 (Effective 05/06/26)**, Utah Code Annotated 1953

44 **79-10-101 (Effective 05/06/26)**, Utah Code Annotated 1953

45 **79-10-201 (Effective 05/06/26)**, Utah Code Annotated 1953

46 **79-10-202 (Effective 05/06/26)**, Utah Code Annotated 1953

47 **79-10-301 (Effective 05/06/26)**, Utah Code Annotated 1953

48 **79-10-302 (Effective 05/06/26)**, Utah Code Annotated 1953

49 **79-10-303 (Effective 05/06/26)**, Utah Code Annotated 1953

50 **79-10-401 (Effective 05/06/26)**, Utah Code Annotated 1953

51 **79-10-402 (Effective 05/06/26)**, Utah Code Annotated 1953

52 **79-10-403 (Effective 05/06/26)**, Utah Code Annotated 1953

53 **79-10-501 (Effective 05/06/26)**, Utah Code Annotated 1953

54 **79-10-601 (Effective 05/06/26)**, Utah Code Annotated 1953

55 **79-10-602 (Effective 05/06/26)**, Utah Code Annotated 1953

56 **79-10-701 (Effective 05/06/26)**, Utah Code Annotated 1953

57 **Utah Code Sections affected by Coordination Clause:**

58 **53H-8-211 (07/01/26)**, Utah Code Annotated 1953

59

60 *Be it enacted by the Legislature of the state of Utah:*

61 Section 1. Section **19-1-209** is enacted to read:

62 **19-1-209 (Effective 05/06/26). Fast track permitting for critical minerals.**

- 63 (1) As used in this section:
- 64 (a) "Critical mineral" means the same as that term is defined in Section 79-10-101.
- 65 (b) "Critical minerals project" means an activity requiring one or more state permits
- 66 related to the extraction or processing of a critical mineral.
- 67 (c) "Critical minerals zone" means the same as that term is defined in Section 79-10-101.
- 68 (d) "Permit" means the same as that term is defined in Section 79-10-101.
- 69 (2)(a) A division within the department shall prioritize division resources to process a
- 70 permit that is:
- 71 (i) requested to be issued by the division; and
- 72 (ii) related to a critical minerals project described in Subsection (2)(b).
- 73 (b) This Subsection (2) applies to a critical mineral project that is:
- 74 (i) for the extraction or processing of a critical mineral within a critical minerals
- 75 zone; or
- 76 (ii) included in the strategic plan developed by the Critical Minerals Council under
- 77 Subsection 79-10-302(1).
- 78 (3) The department shall work cooperatively with the Division of Oil, Gas, and Mining to
- 79 develop processes under which permits for a critical minerals project described in
- 80 Subsection (2)(b) that are issued by a division within the department and the Division of
- 81 Oil, Gas, and Mining:
- 82 (a) may be issued at parallel times rather than sequentially; and
- 83 (b) minimize the need for a person to comply with duplicative, overlapping, or
- 84 conflicting requirements.
- 85 (4) Nothing in this section abrogates or interferes with the powers or duties of the Division
- 86 of Oil, Gas, and Mining.
- 87 Section 2. Section **40-8-5.5** is enacted to read:
- 88 **40-8-5.5 (Effective 05/06/26). Fast track permitting for critical minerals.**
- 89 (1) As used in this section:
- 90 (a) "Critical mineral" means the same as that term is defined in Section 79-10-101.
- 91 (b) "Critical minerals project" means an activity requiring one or more state permits
- 92 related to the extraction or processing of a critical mineral.
- 93 (c) "Critical minerals zone" means the same as that term is defined in Section 79-10-101.
- 94 (d) "Permit" means the same as that term is defined in Section 79-10-101.
- 95 (2)(a) The division shall prioritize division resources to process a permit that is:
- 96 (i) requested to be issued by the division; and

- 97 (ii) related to a critical minerals project described in Subsection (2)(b).
- 98 (b) This Subsection (2) applies to a critical minerals project that is:
- 99 (i) for the extraction or processing of a critical mineral within a critical minerals
- 100 zone; or
- 101 (ii) included in the strategic plan developed by the Critical Minerals Council under
- 102 Subsection 79-10-302(1).
- 103 (3) The division shall work cooperatively with the Department of Environmental Quality to
- 104 develop processes under which permits for a critical minerals project described in
- 105 Subsection (2)(b) that are issued by the division and the Department of Environmental
- 106 Quality:
- 107 (a) may be issued at parallel times rather than sequentially; and
- 108 (b) minimize the need for a person to comply with duplicative, overlapping, or
- 109 conflicting requirements.
- 110 (4) Nothing in this section abrogates or interferes with the powers or duties of the
- 111 Department of Environmental Quality.

112 Section 3. Section **59-2-924** is amended to read:

113 **59-2-924 (Effective 05/06/26). Definitions -- Report of valuation of property to**

114 **county auditor and commission -- Transmittal by auditor to governing bodies --**

115 **Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget**

116 **-- Notice provided by the commission.**

117 (1) As used in this section:

118 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with

119 this chapter.

120 (ii) "Ad valorem property tax revenue" does not include:

121 (A) interest;

122 (B) penalties;

123 (C) collections from redemptions; or

124 (D) revenue received by a taxing entity from personal property that is

125 semiconductor manufacturing equipment assessed by a county assessor in

126 accordance with Part 3, County Assessment.

127 (b) "Adjusted tax increment" means the same as that term is defined in Section

128 17C-1-102.

129 (c)(i) "Aggregate taxable value of all property taxed" means:

130 (A) the aggregate taxable value of all real property a county assessor assesses in

- 131 accordance with Part 3, County Assessment, for the current year;
- 132 (B) the aggregate taxable value of all real and personal property the commission
133 assesses in accordance with Part 2, Assessment of Property, for the current
134 year; and
- 135 (C) the aggregate year end taxable value of all personal property a county assessor
136 assesses in accordance with Part 3, County Assessment, contained on the prior
137 year's tax rolls of the taxing entity.
- 138 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
139 year end taxable value of personal property that is:
- 140 (A) semiconductor manufacturing equipment assessed by a county assessor in
141 accordance with Part 3, County Assessment; and
- 142 (B) contained on the prior year's tax rolls of the taxing entity.
- 143 (d) "Base taxable value" means:
- 144 (i) for an authority created under Section 11-58-201, the same as that term is defined
145 in Section 11-58-102;
- 146 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
147 the same as that term is defined in Section 11-59-207;
- 148 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
149 11-70-201, the same as that term is defined in Section 11-70-101;
- 150 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
151 defined in Section 17C-1-102;
- 152 (v) for an authority created under Section 63H-1-201, the same as that term is defined
153 in Section 63H-1-102;
- 154 (vi) for a host local government, the same as that term is defined in Section
155 63N-2-502;
- 156 (vii) for a housing and transit reinvestment zone or convention center reinvestment
157 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
158 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 159 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
160 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
161 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown
162 upon the assessment roll last equalized during the base year, as that term is
163 defined in Section 10-21-101 or Section 17-80-101;
- 164 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,

- 165 First Home Investment Zone Act, a property's taxable value as shown upon the
166 assessment roll last equalized during the base year, as that term is defined in
167 Section 63N-3-1601;
- 168 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
169 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown
170 upon the assessment roll last equalized during the property tax base year, as that
171 term is defined in Section 63N-3-1701;~~or~~
- 172 (xi) for an electrical energy development zone created under Section 79-6-1104, the
173 value of the property within an electrical energy development zone, as shown on
174 the assessment roll last equalized before the creation of the electrical development
175 zone, as that term is defined in Section 79-6-1104[-] ; or
- 176 (xii) for a critical minerals zone created under Title 79, Chapter 10, Part 4, Critical
177 Minerals Zone, the value of the property within a critical minerals zone, as shown
178 on the assessment rule last equalized before the creation of the critical minerals
179 zone, as that term is defined in Section 79-10-101.
- 180 (e) "Centrally assessed benchmark value" means an amount equal to the average year
181 end taxable value of real and personal property the commission assesses in
182 accordance with Part 2, Assessment of Property, for the previous three calendar
183 years, adjusted for taxable value attributable to:
- 184 (i) an annexation to a taxing entity;
- 185 (ii) an incorrect allocation of taxable value of real or personal property the
186 commission assesses in accordance with Part 2, Assessment of Property; or
- 187 (iii) a change in value as a result of a change in the method of apportioning the value
188 prescribed by the Legislature, a court, or the commission in an administrative rule
189 or administrative order.
- 190 (f) "Centrally assessed industry" means the following industry classes the commission
191 assesses in accordance with Part 2, Assessment of Property:
- 192 (i) air carrier;
- 193 (ii) coal;
- 194 (iii) coal load out property;
- 195 (iv) electric generation;
- 196 (v) electric rural;
- 197 (vi) electric utility;
- 198 (vii) gas utility;

- 199 (viii) ground access property;
200 (ix) land only property;
201 (x) liquid pipeline;
202 (xi) metalliferous mining;
203 (xii) nonmetalliferous mining;
204 (xiii) oil and gas gathering;
205 (xiv) oil and gas production;
206 (xv) oil and gas water disposal;
207 (xvi) railroad;
208 (xvii) sand and gravel; and
209 (xviii) uranium.
- 210 (g)(i) "Centrally assessed new growth" means the greater of:
211 (A) for each centrally assessed industry, zero; or
212 (B) the amount calculated by subtracting the centrally assessed benchmark value
213 for each centrally assessed industry, adjusted for prior year end incremental
214 value, from the taxable value of real and personal property the commission
215 assesses in accordance with Part 2, Assessment of Property, for each centrally
216 assessed industry for the current year, adjusted for current year incremental
217 value.
- 218 (ii) "Centrally assessed new growth" does not include a change in value for a
219 centrally assessed industry as a result of a change in the method of apportioning
220 the value prescribed by the Legislature, a court, or the commission in an
221 administrative rule or administrative order.
- 222 (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property
223 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 224 (i) "Community reinvestment agency" means the same as that term is defined in Section
225 17C-1-102.
- 226 (j) "Eligible new growth" means the greater of:
227 (i) zero; or
228 (ii) the sum of:
229 (A) locally assessed new growth;
230 (B) centrally assessed new growth; and
231 (C) project area new growth or hotel property new growth.
- 232 (k) "Host local government" means the same as that term is defined in Section

- 233 63N-2-502.
- 234 (l) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 235 (m) "Hotel property new growth" means an amount equal to the incremental value that is
236 no longer provided to a host local government as incremental property tax revenue.
- 237 (n) "Incremental property tax revenue" means the same as that term is defined in Section
238 63N-2-502.
- 239 (o) "Incremental value" means:
- 240 (i) for an authority created under Section 11-58-201, the amount calculated by
241 multiplying:
- 242 (A) the difference between the taxable value and the base taxable value of the
243 property that is located within a project area and on which property tax
244 differential is collected; and
- 245 (B) the number that represents the percentage of the property tax differential that
246 is paid to the authority;
- 247 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
248 an amount calculated by multiplying:
- 249 (A) the difference between the current assessed value of the property and the base
250 taxable value; and
- 251 (B) the number that represents the percentage of the property tax augmentation, as
252 defined in Section 11-59-207, that is paid to the Point of the Mountain State
253 Land Authority;
- 254 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
255 11-70-201, the amount calculated by multiplying:
- 256 (A) the difference between the taxable value for the current year and the base
257 taxable value of the property that is located within a project area; and
- 258 (B) the number that represents the percentage of enhanced property tax revenue,
259 as defined in Section 11-70-101;
- 260 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
261 multiplying:
- 262 (A) the difference between the taxable value and the base taxable value of the
263 property located within a project area and on which tax increment is collected;
264 and
- 265 (B) the number that represents the adjusted tax increment from that project area
266 that is paid to the agency;

- 267 (v) for an authority created under Section 63H-1-201, the amount calculated by
268 multiplying:
- 269 (A) the difference between the taxable value and the base taxable value of the
270 property located within a project area and on which property tax allocation is
271 collected; and
- 272 (B) the number that represents the percentage of the property tax allocation from
273 that project area that is paid to the authority;
- 274 (vi) for a housing and transit reinvestment zone or convention center reinvestment
275 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit
276 Reinvestment Zone Act, an amount calculated by multiplying:
- 277 (A) the difference between the taxable value and the base taxable value of the
278 property that is located within a housing and transit reinvestment zone or
279 convention center reinvestment zone and on which tax increment is collected;
280 and
- 281 (B) the number that represents the percentage of the tax increment that is paid to
282 the housing and transit reinvestment zone or convention center reinvestment
283 zone;
- 284 (vii) for a host local government, an amount calculated by multiplying:
- 285 (A) the difference between the taxable value and the base taxable value of the
286 hotel property on which incremental property tax revenue is collected; and
- 287 (B) the number that represents the percentage of the incremental property tax
288 revenue from that hotel property that is paid to the host local government;
- 289 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part
290 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,
291 Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
- 292 (A) the difference between the taxable value and the base taxable value of the
293 property that is located within a home ownership promotion zone and on which
294 tax increment is collected; and
- 295 (B) the number that represents the percentage of the tax increment that is paid to
296 the home ownership promotion zone;
- 297 (ix) for a first home investment zone created in accordance with Title 63N, Chapter
298 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
- 299 (A) the difference between the taxable value and the base taxable value of the
300 property that is located within a first home investment zone and on which tax

- 301 increment is collected; and
- 302 (B) the number that represents the percentage of the tax increment that is paid to
- 303 the first home investment zone;
- 304 (x) for a major sporting event venue zone created ~~[pursuant to]~~ in accordance with
- 305 Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount
- 306 calculated by multiplying:
- 307 (A) the difference between the taxable value and the base taxable value of the
- 308 property located within a qualified development zone for a major sporting
- 309 event venue zone and upon which property tax increment is collected; and
- 310 (B) the number that represents the percentage of tax increment that is paid to the
- 311 major sporting event venue zone, as approved by a major sporting event venue
- 312 zone committee described in Section 63N-1a-1706;~~[-or]~~
- 313 (xi) for an electrical energy development zone created under Section 79-6-1104, the
- 314 amount calculated by multiplying:
- 315 (A) the difference between the taxable value and the base taxable value of the
- 316 property that is located within the electrical energy developmental zone; and
- 317 (B) the number that represents the percentage of the tax increment that is paid to a
- 318 community reinvestment agency and the Electrical Energy Development
- 319 Investment Fund created in Section 79-6-1105~~[-]~~ ; or
- 320 (xii) for a critical minerals zone created under Section 79-10-403, the amount
- 321 calculated by multiplying:
- 322 (A) the difference between the taxable value and the base taxable value of the
- 323 property that is located within the critical minerals zone; and
- 324 (B) the number that represents the percentage of the tax increment that is paid to a
- 325 community reinvestment agency or a state land use authority, as defined in
- 326 Section 79-10-401, and the Critical Minerals Development Account created in
- 327 Section 79-10-701.
- 328 (p)(i) "Locally assessed new growth" means the greater of:
- 329 (A) zero; or
- 330 (B) the amount calculated by subtracting the year end taxable value of real
- 331 property the county assessor assesses in accordance with Part 3, County
- 332 Assessment, for the previous year, adjusted for prior year end incremental
- 333 value from the taxable value of real property the county assessor assesses in
- 334 accordance with Part 3, County Assessment, for the current year, adjusted for

- 335 current year incremental value.
- 336 (ii) "Locally assessed new growth" does not include a change in:
- 337 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
- 338 or another adjustment;
- 339 (B) assessed value based on whether a property is allowed a residential exemption
- 340 for a primary residence under Section 59-2-103;
- 341 (C) assessed value based on whether a property is assessed under Part 5, Farmland
- 342 Assessment Act; or
- 343 (D) assessed value based on whether a property is assessed under Part 17, Urban
- 344 Farming Assessment Act.
- 345 (q) "Project area" means:
- 346 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 347 in Section 11-58-102;
- 348 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 349 11-70-201, the same as that term is defined in Section 11-70-101;
- 350 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
- 351 defined in Section 17C-1-102;
- 352 (iv) for an authority created under Section 63H-1-201, the same as that term is
- 353 defined in Section 63H-1-102;
- 354 (v) for a housing and transit reinvestment zone or convention center reinvestment
- 355 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 356 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 357 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
- 358 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
- 359 5, Home Ownership Promotion Zone, the same as that term is defined in Section
- 360 10-21-101 or Section 17-80-101;
- 361 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 362 First Home Investment Zone Act, the same as that term is defined in Section
- 363 63N-3-1601; or
- 364 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
- 365 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
- 366 as defined in Section 63N-3-1701.
- 367 (r) "Project area new growth" means:
- 368 (i) for an authority created under Section 11-58-201, an amount equal to the

- 369 incremental value that is no longer provided to an authority as property tax
370 differential;
- 371 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
372 an amount equal to the incremental value that is no longer provided to the Point of
373 the Mountain State Land Authority as property tax augmentation, as defined in
374 Section 11-59-207;
- 375 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
376 11-70-201, an amount equal to the incremental value that is no longer provided to
377 the Utah Fairpark Area Investment and Restoration District;
- 378 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the
379 incremental value that is no longer provided to an agency as tax increment;
- 380 (v) for an authority created under Section 63H-1-201, an amount equal to the
381 incremental value that is no longer provided to an authority as property tax
382 allocation;
- 383 (vi) for a housing and transit reinvestment zone or convention center reinvestment
384 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
385 Reinvestment Zone Act, an amount equal to the incremental value that is no
386 longer provided to a housing and transit reinvestment zone or convention center
387 reinvestment zone as tax increment;
- 388 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
389 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
390 5, Home Ownership Promotion Zone, an amount equal to the incremental value
391 that is no longer provided to a home ownership promotion zone as tax increment;
- 392 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
393 First Home Investment Zone Act, an amount equal to the incremental value that is
394 no longer provided to a first home investment zone as tax increment; or
- 395 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
396 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental
397 value that is no longer provided to the creating entity of a major sporting event
398 venue zone as property tax increment.
- 399 (s) "Project area incremental revenue" means the same as that term is defined in Section
400 17C-1-1001.
- 401 (t) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 402 (u) "Property tax differential" means the same as that term is defined in Sections

- 403 11-58-102[~~and~~] , 79-6-1104, and 79-10-401.
- 404 (v) "Tax increment" means:
- 405 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
- 406 in Section 17C-1-102;
- 407 (ii) for a housing and transit reinvestment zone or convention center reinvestment
- 408 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 409 Reinvestment Zone Act, the same as the term "property tax increment" is defined
- 410 in Section 63N-3-602;
- 411 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
- 412 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
- 413 5, Home Ownership Promotion Zone, the same as that term is defined in Section
- 414 10-21-101 or Section 17-80-101;
- 415 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 416 First Home Investment Zone Act, the same as that term is defined in Section
- 417 63N-3-1601; or
- 418 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
- 419 17, Major Sporting Event Venue Zone Act, property tax increment, as that term is
- 420 defined in Section 63N-3-1701.
- 421 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and
- 422 the commission the following statements:
- 423 (a) a statement containing the aggregate valuation of all taxable real property a county
- 424 assessor assesses in accordance with Part 3, County Assessment, for each taxing
- 425 entity; and
- 426 (b) a statement containing the taxable value of all personal property a county assessor
- 427 assesses in accordance with Part 3, County Assessment, from the prior year end
- 428 values.
- 429 (3) The county auditor shall, on or before June 8, transmit to the governing body of each
- 430 taxing entity:
- 431 (a) the statements described in Subsections (2)(a) and (b);
- 432 (b) an estimate of the revenue from personal property;
- 433 (c) the certified tax rate; and
- 434 (d) all forms necessary to submit a tax levy request.
- 435 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
- 436 calculated by dividing the ad valorem property tax revenue that a taxing entity

- 437 budgeted for the prior year by the amount calculated under Subsection (4)(b).
438 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
439 calculate an amount as follows:
- 440 (i) calculate for the taxing entity the difference between:
 - 441 (A) the aggregate taxable value of all property taxed; and
 - 442 (B) any adjustments for current year incremental value;
 - 443 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
444 determined by increasing or decreasing the amount calculated under Subsection
445 (4)(b)(i) by the average of the percentage net change in the value of taxable
446 property for the equalization period for the three calendar years immediately
447 preceding the current calendar year;
 - 448 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
449 product of:
 - 450 (A) the amount calculated under Subsection (4)(b)(ii); and
 - 451 (B) the percentage of property taxes collected for the five calendar years
452 immediately preceding the current calendar year; and
 - 453 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
454 amount determined by:
 - 455 (A) multiplying the percentage of property taxes collected for the five calendar
456 years immediately preceding the current calendar year by eligible new growth;
457 and
 - 458 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
459 amount calculated under Subsection (4)(b)(iii).
- 460 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
461 as follows:
- 462 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
463 tax rate is zero;
 - 464 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
 - 465 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
466 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
467 to Unincorporated Areas; and
 - 468 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
469 purposes and such other levies imposed solely for the municipal-type services
470 identified in Section 17-78-501 and Subsection 17-63-101(23);

- 471 (c) for a community reinvestment agency that received all or a portion of a taxing
472 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
473 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
474 Subsection (4) except that the commission shall treat the total revenue transferred to
475 the community reinvestment agency as ad valorem property tax revenue that the
476 taxing entity budgeted for the prior year; and
- 477 (d) for debt service voted on by the public, the certified tax rate is the actual levy
478 imposed by that section, except that a certified tax rate for the following levies shall
479 be calculated in accordance with Section 59-2-913 and this section:
- 480 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
481 (ii) a levy to pay for the costs of state legislative mandates or judicial or
482 administrative orders under Section 59-2-1602.
- 483 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or
484 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy
485 one or more eligible judgments.
- 486 (b) The ad valorem property tax revenue generated by a judgment levy described in
487 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
488 certified tax rate.
- 489 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 490 (i) the taxable value of real property:
- 491 (A) the county assessor assesses in accordance with Part 3, County Assessment;
492 and
493 (B) contained on the assessment roll;
- 494 (ii) the year end taxable value of personal property:
- 495 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
496 (B) contained on the prior year's assessment roll; and
- 497 (iii) the taxable value of real and personal property the commission assesses in
498 accordance with Part 2, Assessment of Property.
- 499 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
500 growth.
- 501 (8)(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.
- 502 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify
503 the county auditor of:
- 504 (i) the taxing entity's intent to exceed the certified tax rate; and

- 505 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 506 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
- 507 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 508 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
- 509 electronic means on or before July 31, to a taxing entity and the Revenue and
- 510 Taxation Interim Committee if:
- 511 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
- 512 taxable value of the real and personal property the commission assesses in
- 513 accordance with Part 2, Assessment of Property, for the previous year, adjusted
- 514 for prior year end incremental value; and
- 515 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
- 516 end taxable value of the real and personal property of a taxpayer the commission
- 517 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 518 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
- 519 subtracting the taxable value of real and personal property the commission assesses
- 520 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
- 521 current year incremental value, from the year end taxable value of the real and
- 522 personal property the commission assesses in accordance with Part 2, Assessment of
- 523 Property, for the previous year, adjusted for prior year end incremental value.
- 524 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
- 525 subtracting the total taxable value of real and personal property of a taxpayer the
- 526 commission assesses in accordance with Part 2, Assessment of Property, for the
- 527 current year, from the total year end taxable value of the real and personal property of
- 528 a taxpayer the commission assesses in accordance with Part 2, Assessment of
- 529 Property, for the previous year.
- 530 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
- 531 requirement under Subsection (9)(a)(ii).

532 Section 4. Section **63J-1-602.2** is amended to read:

533 **63J-1-602.2 (Effective 05/06/26) (Partially Repealed 07/01/29). List of nonlapsing**

534 **appropriations to programs.**

535 Appropriations made to the following programs are nonlapsing:

- 536 (1) The Legislature and the Legislature's committees.
- 537 (2) The State Board of Education, including all appropriations to agencies, line items, and
- 538 programs under the jurisdiction of the State Board of Education, in accordance with

- 539 Section 53F-9-103.
- 540 (3) The Rangeland Improvement Act created in Section 4-20-101.
- 541 (4) The Percent-for-Art Program created in Section 9-6-404.
- 542 (5) The LeRay McAllister Working Farm and Ranch Fund Program created in Title 4,
543 Chapter 46, Part 3, LeRay McAllister Working Farm and Ranch Fund.
- 544 (6) The Utah Lake Authority created in Section 11-65-201.
- 545 (7) Dedicated credits accrued to the Utah Marriage Commission as provided under
546 Subsection 17-66-303(2)(d)(ii).
- 547 (8) The Wildlife Land and Water Acquisition Program created in Section 23A-6-205.
- 548 (9) Sanctions collected as dedicated credits from Medicaid providers under Subsection
549 26B-3-108(7).
- 550 (10) The primary care grant program created in Section 26B-4-310.
- 551 (11) The Opiate Overdose Outreach Pilot Program created in Section 26B-4-512.
- 552 (12) The Utah Health Care Workforce Financial Assistance Program created in Section
553 26B-4-702.
- 554 (13) The Rural Physician Loan Repayment Program created in Section 26B-4-703.
- 555 (14) The Utah Medical Education Council for the:
- 556 (a) administration of the Utah Medical Education Program created in Section 26B-4-707;
557 (b) provision of medical residency grants described in Section 26B-4-711; and
558 (c) provision of the forensic psychiatric fellowship grant described in Section 26B-4-712.
- 559 (15) The Division of Services for People with Disabilities, as provided in Section 26B-6-402.
- 560 (16) The Communication Habits to reduce Adolescent Threats (CHAT) Pilot Program
561 created in Section 26B-7-122.
- 562 (17) Funds that the Department of Alcoholic Beverage Services retains in accordance with
563 Subsection 32B-2-301(8)(a) or (b).
- 564 (18) The General Assistance program administered by the Department of Workforce
565 Services, as provided in Section 35A-3-401.
- 566 (19) The Utah National Guard, created in Title 39A, National Guard and Militia Act.
- 567 (20) The Search and Rescue Financial Assistance Program, as provided in Section
568 53-2a-1102.
- 569 (21) The Emergency Medical Services Grant Program, as provided in Section 53-2d-207.
- 570 (22) The Motorcycle Rider Education Program, as provided in Section 53-3-905.
- 571 (23) The Utah Board of Higher Education for teacher preparation programs, as provided in
572 Section 53H-5-402.

- 573 (24) Innovation grants under Section 53G-10-608, except as provided in Subsection
574 53G-10-608(3).
- 575 (25) The Division of Fleet Operations for the purpose of upgrading underground storage
576 tanks under Section 63A-9-401.
- 577 (26) The Division of Technology Services for technology innovation as provided under
578 Section 63A-16-903.
- 579 (27) The State Capitol Preservation Board created by Section 63O-2-201.
- 580 (28) The Office of Administrative Rules for publishing, as provided in Section 63G-3-402.
- 581 (29) The Colorado River Authority of Utah, created in Title 63M, Chapter 14, Colorado
582 River Authority of Utah Act.
- 583 (30) The Governor's Office of Economic Opportunity to fund the Enterprise Zone Act, as
584 provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.
- 585 (31) The Governor's Office of Economic Opportunity's Rural Employment Expansion
586 Program, as described in Title 63N, Chapter 4, Part 4, Rural Employment Expansion
587 Program.
- 588 (32) County correctional facility contracting program for state inmates as described in
589 Section 64-13e-103.
- 590 (33) County correctional facility reimbursement program for state probationary inmates and
591 state parole inmates as described in Section 64-13e-104.
- 592 (34) Programs for the Jordan River Recreation Area as described in Section 65A-2-8.
- 593 (35) The Division of Human Resource Management user training program, as provided in
594 Section 63A-17-106.
- 595 (36) A public safety answering point's emergency telecommunications service fund, as
596 provided in Section 69-2-301.
- 597 (37) The Traffic Noise Abatement Program created in Section 72-6-112.
- 598 (38) The money appropriated from the Navajo Water Rights Negotiation Account to the
599 Division of Water Rights, created in Section 73-2-1.1, for purposes of participating in a
600 settlement of federal reserved water right claims.
- 601 (39) The Judicial Council for compensation for special prosecutors, as provided in Section
602 77-10a-19.
- 603 (40) A state rehabilitative employment program, as provided in Section 78A-6-210.
- 604 (41) The Utah Geological Survey, as provided in Section 79-3-401.
- 605 (42) The Bonneville Shoreline Trail Program created under Section 79-5-503.
- 606 (43) Adoption document access as provided in Sections 81-13-103, 81-13-504, and

- 607 81-13-505.
- 608 (44) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent Defense
609 Commission.
- 610 (45) The program established by the Division of Facilities Construction and Management
611 under Section 63A-5b-703 under which state agencies receive an appropriation and pay
612 lease payments for the use and occupancy of buildings owned by the Division of
613 Facilities Construction and Management.
- 614 (46) The State Tax Commission for reimbursing counties for deferrals in accordance with
615 Section 59-2-1802.5.
- 616 (47) The Veterinarian Education Loan Repayment Program created in Section 4-2-902.
- 617 (48) The Critical Minerals Council created by Section 79-10-301.
- 618 Section 5. Section **79-2-201** is amended to read:
- 619 **79-2-201 (Effective 05/06/26) (Partially Repealed 07/01/29). Department of**
620 **Natural Resources created.**
- 621 (1) There is created the Department of Natural Resources.
- 622 (2) The department comprises the following:
- 623 (a) Board of Water Resources, created in Section 73-10-1.5;
- 624 (b) Board of Oil, Gas, and Mining, created in Section 40-6-4;
- 625 (c) Office of Energy Development, created in Section 79-6-401;
- 626 (d) Wildlife Board, created in Section 23A-2-301;
- 627 (e) Board of the Utah Geological Survey, created in Section 79-3-301;
- 628 (f) Water Development Coordinating Council, created in Section 73-10c-3;
- 629 (g) Division of Water Rights, created in Section 73-2-1.1;
- 630 (h) Division of Water Resources, created in Section 73-10-18;
- 631 (i) Division of Forestry, Fire, and State Lands, created in Section 65A-1-4;
- 632 (j) Division of Oil, Gas, and Mining, created in Section 40-6-15;
- 633 (k) Division of State Parks, created in Section 79-4-201;
- 634 (l) Division of Outdoor Recreation, created in Section 79-7-201;
- 635 (m) Division of Wildlife Resources, created in Section 23A-2-201;
- 636 (n) Utah Geological Survey, created in Section 79-3-201;
- 637 (o) Utah Outdoor Recreation Infrastructure Advisory Committee, created in Section
638 79-7-206;
- 639 (p)(i) an advisory council that includes in the advisory council's duties advising on
640 state boating policy, authorized by Section 73-18-3.5; or

- 641 (ii) an advisory council that includes in the advisory council's duties advising on
 642 off-highway vehicle use, authorized by Section 41-22-10;
- 643 (q) Wildlife Board Nominating Committee, created in Section 23A-2-302;
- 644 (r) Wildlife Regional Advisory Councils, created in Section 23A-2-303;
- 645 (s) Utah Watersheds Council, created in Section 73-10g-304;
- 646 (t) Public Lands Policy Coordinating Office created in Section 63L-11-201;[-and]
- 647 (u) the Great Salt Lake commissioner, appointed under Section 73-32-201, and the
 648 Office of the Great Salt Lake Commissioner, created in Section 73-32-301[-]; and
- 649 (v) the Critical Minerals Council, created in Section 79-10-301.

650 Section 6. Section **79-10-101** is enacted to read:

651 **CHAPTER 10. Critical Minerals Strategic Act**

652 **Part 1. General Provisions**

653 **79-10-101 (Effective 05/06/26). Definitions.**

654 As used in this chapter:

- 655 (1) "Atlas" means a depository of geological data maintained in accordance with Part 5,
 656 Critical Minerals Atlas.
- 657 (2) "Center" means the Minerals for Industrial, National, and Economic Security Center
 658 created in accordance with Part 6, Minerals for Industrial, National, and Economic
 659 Security Center.
- 660 (3) "Council" means the Critical Minerals Council created in Section 79-10-301.
- 661 (4) "Critical mineral" means a mineral identified by the United States Geological Survey or
 662 the council as essential to the economic security of the state or national security.
- 663 (5) "Critical minerals zone" means a critical minerals zone designated by the council under
 664 Part 4, Critical Minerals Zone.
- 665 (6) "Permit" means one of the following issued by a state agency:
- 666 (a) a permit;
- 667 (b) a plan;
- 668 (c) a license;
- 669 (d) an approval order; or
- 670 (e) another administrative authorization.

671 Section 7. Section **79-10-201** is enacted to read:

672 **Part 2. State Critical Minerals Objectives and Policy**

673 **79-10-201 (Effective 05/06/26). State critical mineral objectives and policy.**

- 674 (1) The state's long-term objectives related to critical minerals are:
675 (a) to capture 20% to 25% of United States domestic critical minerals demand;
676 (b) to process within the state 50% of the critical minerals extracted from within the
677 state;
678 (c) to reduce average permitting timelines to less than 18 months;
679 (d) to establish and build out the Minerals for Industrial, National, and Economic
680 Security Center, as provided in Part 6, Minerals for Industrial, National, and
681 Economic Security Center; and
682 (e) to secure federal designation of an entity within the state as a United States critical
683 minerals national laboratory.
- 684 (2) The state's policy related to critical minerals is to:
685 (a) pursue market-based solutions while using public policy to accelerate market
686 performance;
687 (b) foster the long-term viability of extraction and processing operations;
688 (c) foster the long-term health of marketplaces to ensure private parties can invest
689 confidently in the critical minerals industry;
690 (d) maximize resources available across the state, including natural, talent, processing,
691 financial, and technological resources;
692 (e) leverage the Utah System of Higher Education, including technical colleges, to create
693 a specialized talent pipeline for mining, geology, and processing;
694 (f) create a positive regulatory framework, including streamlined permitting for critical
695 minerals processes;
696 (g) create intrastate, interstate, and federal partnerships that leverage available resources
697 for state, regional, and national benefit;
698 (h) accelerate development of critical minerals zones; and
699 (i) support applied research partnerships between higher education, industry, and the
700 state that support commercialization.
- 701 (3) State agencies, academia, and industry are encouraged to conduct activities consistent
702 with Subsections (1) and (2).
- 703 (4) This section does not create a cause of action against the state's or a state agency's action
704 that is inconsistent with Subsections (1) and (2) and does not waive governmental
705 immunity under Title 63G, Chapter 7, Governmental Immunity Act of Utah.
706 Section 8. Section **79-10-202** is enacted to read:
707 **79-10-202 (Effective 05/06/26). Legislative review of objectives and policy.**

708 The Natural Resources, Agriculture, and Environment Interim Committee shall annually
709 review the state's critical mineral objectives and policy under Section 79-10-201 and propose
710 any changes to the Legislature.

711 Section 9. Section **79-10-301** is enacted to read:

712 **Part 3. Critical Minerals Coordinating Council**

713 **79-10-301 (Effective 05/06/26). Critical Minerals Council created.**

714 (1) There is created within the Department of Natural Resources a mixed purpose board
715 known as the "Critical Minerals Council."

716 (2) The council consists of the following 11 members:

717 (a) the director of the Office of Energy Development, or the director's designee;

718 (b) the director of the Division of Oil, Gas, and Mining, or the director's designee;

719 (c) one of the following appointed by the governor:

720 (i) the executive director of the Governor's Office of Economic Opportunity; or

721 (ii) the executive director of the Nucleus Institute, created in Section 53H-16-202;

722 (d) a member of the House of Representatives, appointed by the speaker of the House of
723 Representatives;

724 (e) a member of the Senate, appointed by the president of the Senate;

725 (f) the president of the University of Utah, or the president's designee;

726 (g) the president of an association representing Utah's mining industry, including
727 hardrock operators, industrial mineral operators, coal operators, mineral processing
728 operations, and mining services companies, appointed by the governor;

729 (h) a representative from an organization designed to create jobs in Utah by expanding
730 international sales, attracting foreign investment, and facilitating international
731 partnerships, appointed by the governor;

732 (i) a representative from a state land use authority, as defined in Section 79-10-401,
733 appointed by the governor; and

734 (j) two at-large members who represent a relevant industry, represent a state research
735 center, or have expertise in environmental regulation, appointed by the members of
736 the council described in Subsections (2)(a) through (i).

737 (3)(a)(i) The director of the Office of Energy Development, or the director's designee,
738 is the co-chair of the council.

739 (ii) The president of the Senate and the speaker of the House of Representatives shall
740 jointly appoint a co-chair of the council from members of the council.

741 (b) The vice-chairs of the council are:

- 742 (i) the director of the Division of Oil, Gas, and Mining, or the director's designee; and
743 (ii) the individual appointed under Subsection (1)(c).
- 744 (4)(a) The majority of the members constitutes a quorum of the council.
- 745 (b) The majority vote of the members present when a quorum is present constitutes
746 action of the council.
- 747 (5) The council shall meet:
- 748 (a) at the time and place designated by the chairs; and
749 (b) no less than once every month or as frequently as the council determines.
- 750 (6)(a) A member appointed under Subsections (2)(g) through (j) shall serve a term of
751 four years.
- 752 (b) The appointing authority may appoint an individual to a position under Subsections
753 (2)(g) through (j) to more than one term.
- 754 (c) Notwithstanding Subsection (6)(a), the council shall, at the time of appointment or
755 reappointment, adjust the length of terms to ensure that the terms of the members
756 appointed under Subsections (2)(g) through (j) are staggered so that approximately
757 half of the members appointed under Subsections (2)(g) through (j) are appointed
758 every two years.
- 759 (7)(a) A vacancy that occurs on the council for any reason shall be filled in the same
760 manner as the original appointment.
- 761 (b) If an at-large representative vacates the position, the council shall appoint a new
762 member for the unexpired term of the vacated member.
- 763 (8) A member may not receive compensation or benefits for the member's service, but may
764 receive per diem and travel expenses in accordance with:
- 765 (a) Section 63A-3-106;
766 (b) Section 63A-3-107; and
767 (c) rules made by the Division of Finance in accordance with Sections 63A-3-106 and
768 63A-3-107.
- 769 (9)(a) A council member who has, will have, or later acquires an interest, direct or
770 indirect, in a transaction with the council shall immediately disclose the nature and
771 extent of that interest in writing to the council as soon as the council member has
772 knowledge of the actual or prospective interest.
- 773 (b) The council shall enter a disclosure described in this Subsection (9) upon the minutes
774 of the council.
- 775 (c) Upon disclosure, that council member may participate in an action by the council

- 776 authorizing the transaction.
- 777 (10) The Department of Natural Resources shall provide staff support to the council.
- 778 Section 10. Section **79-10-302** is enacted to read:
- 779 **79-10-302 (Effective 05/06/26). Powers and duties of the council.**
- 780 (1) The council shall:
- 781 (a) develop a strategic plan to prioritize activities and projects related to the exploration,
- 782 development, production, and processing of critical minerals in the state consistent
- 783 with the state's critical minerals objectives and policy as outlined in Section
- 784 79-10-201;
- 785 (b) ensure that efforts among Utah public, private, and academic partners regarding
- 786 critical minerals are coordinated efficiently and effectively;
- 787 (c) act as a clearinghouse for information related to federal, state, or local grants and
- 788 determine whether a grant application is consistent with the strategic plan developed
- 789 under Subsection (1)(a);
- 790 (d) investigate and participate in studies of problems unique to the exploration,
- 791 development, production, and processing of critical minerals in the state;
- 792 (e) oversee the development of the center in accordance with Part 6, Minerals for
- 793 Industrial, National, and Economic Security Center;
- 794 (f) take actions consistent with this chapter to promote, protect, and stabilize the critical
- 795 minerals industry;
- 796 (g) cooperate with local, state, or national organizations engaged in activities similar to
- 797 those of the council;
- 798 (h) partner with other western states for the development of critical minerals mining and
- 799 processing capabilities;
- 800 (i) accept grants, donations, or gifts for use consistent with this chapter;
- 801 (j) catalyze critical minerals extraction and processing for industries in the state;
- 802 (k) accelerate development of critical minerals zones in the state for extraction and
- 803 processing of critical minerals;
- 804 (l) identify transportation and logistics needs and strategic investments to facilitate
- 805 high-capacity, efficient handling of critical minerals; and
- 806 (m) advise the Legislature about the need, if any, for legislative action.
- 807 (2) The council may enter into agreements necessary to fulfill the council's duties.
- 808 (3) The council may make rules, in accordance with Title 63G, Chapter 3, Utah
- 809 Administrative Rulemaking Act, creating a dispute resolution process to resolve

- 810 conflicts between agencies or private entities represented by a member of the council.
- 811 (4)(a) The council may organize standing or ad hoc committees that operate in
- 812 accordance with guidelines established by the council, regarding specific state and
- 813 industry needs related to critical minerals development, including:
- 814 (i) education and workforce needs;
- 815 (ii) research and commercialization;
- 816 (iii) entrepreneurship and investment;
- 817 (iv) aerospace and defense requirements;
- 818 (v) logistics and infrastructure;
- 819 (vi) international trade; or
- 820 (vii) other needs related to critical minerals development.
- 821 (b) The council may appoint a member of a standing or ad hoc committee that is not a
- 822 member of the council.
- 823 (5)(a) The council shall report annually by no later than October 1 to the Natural
- 824 Resources, Agriculture, and Environment Interim Committee.
- 825 (b) The report required by this Subsection (5) shall include information regarding:
- 826 (i) the state's progress towards the objectives described in Subsection 79-10-201(1);
- 827 (ii) critical minerals zones as required by Section 79-10-402;
- 828 (iii) the state's progress towards development of the center, including the center's
- 829 activities and fiscal needs; and
- 830 (iv) the Critical Minerals Development Account required by Section 79-10-701.
- 831 (6) Notwithstanding the other provisions of this chapter, the council may not:
- 832 (a) interfere or impair with the statutory authority of a state agency to issue a permit; or
- 833 (b) vote on an individual permit.
- 834 Section 11. Section **79-10-303** is enacted to read:
- 835 **79-10-303 (Effective 05/06/26). Areas for coordination.**
- 836 (1) Council members are designated as area leads as provided in this section. In conducting
- 837 the council's business, the council may assign a council member who is an area lead to
- 838 coordinate on an issue within the council member's area.
- 839 (2) The council shall ensure:
- 840 (a) the coordination of state policy with federal policy; and
- 841 (b) the development of infrastructure within the state related to critical minerals.
- 842 (3)(a) The director of the Division of Oil, Gas, and Mining, or the director's designee,
- 843 shall address regulation and permitting and coordinate with state agencies related to:

878 **79-10-401 (Effective 05/06/26). Definitions.**879 As used in this part:

- 880 (1) "Base taxable value" means the value of property within a critical minerals zone, as
 881 shown on the assessment roll last equalized before the creation of the critical minerals
 882 zone.
- 883 (2) "Community reinvestment agency" means the same as that term is defined in Section
 884 17C-1-102.
- 885 (3) "Community reinvestment project area" means a project area under a community
 886 reinvestment project area plan as defined in Section 17C-1-102.
- 887 (4) "Property tax differential" means the difference between:
 888 (a) the amount of property tax revenues generated each tax year by all taxing entities
 889 from a critical minerals zone, using the current assessed value of the property; and
 890 (b) the amount of property tax revenues that would be generated from that same area
 891 using the base taxable value of the property.
- 892 (5) "Property tax differential revenue" means revenue generated based on the property tax
 893 differential.
- 894 (6) "State land use authority" means:
 895 (a) the Utah Inland Port Authority created in Section 11-58-201;
 896 (b) the Military Installation Development Authority created in Section 63H-1-201;
 897 (c) the School and Institutional Trust Lands Administration created in Section 53C-1-201;
 898 or
 899 (d) any other land use authority created by the state that has jurisdiction over state lands.

900 Section 13. Section **79-10-402** is enacted to read:901 **79-10-402 (Effective 05/06/26). Council responsibilities and powers.**

- 902 (1) The council shall:
- 903 (a) establish and implement:
 904 (i) processes for designating critical minerals zones; and
 905 (ii) criteria for evaluating proposed critical minerals zones;
- 906 (b) consult with state land use authorities regarding:
 907 (i) identification of state lands suitable for critical minerals extraction or processing;
 908 (ii) designation of critical minerals zones; and
 909 (iii) opportunities for coordinated development of extraction or processing projects
 910 on state lands;
- 911 (c) assess and address potential public health impacts of critical minerals zones;

- 912 (d) report annually by October 1 to the Natural Resources, Agriculture, and Environment
913 Interim Committee regarding:
914 (i) infrastructure needs related to extraction and processing of critical minerals;
915 (ii) the status of designated critical minerals zones; and
916 (iii) recommendations for how the property tax differential revenue collected under
917 this section should be divided and distributed between the state, counties, and
918 municipalities; and
919 (e) negotiate with the applicable county or municipality regarding the distribution of
920 property tax differential revenue.
- 921 (2) The council may enter agreements with state land use authorities to address the
922 implementation of critical minerals zones and the administration of property tax
923 differential revenue.

924 Section 14. Section **79-10-403** is enacted to read:

925 **79-10-403 (Effective 05/06/26). Critical minerals zones designated.**

- 926 (1)(a) Except as provided in Subsection (1)(b), a county or municipality may not offer
927 financial incentives for a critical minerals extraction or processing project that is not
928 located within a designated critical minerals zone.
- 929 (b) Subsection (1)(a) does not apply to a critical minerals extraction or processing
930 project for which a project area plan has been approved before May 6, 2026.
- 931 (2) A county or municipality may:
- 932 (a) pass a resolution declaring an intent to establish within the county or municipality
933 boundaries a critical minerals zone;
- 934 (b) enter into an interlocal agreement with the council outlining each parties'
935 responsibilities relating to a critical minerals zone; and
- 936 (c) apply to the council for the designation of a critical minerals zone by submitting:
- 937 (i) a description of the proposed boundaries of the critical minerals zone;
938 (ii) an assessment of existing critical minerals extraction or processing infrastructure
939 within and proximate to the proposed critical minerals zone;
- 940 (iii) a development plan that includes:
- 941 (A) proposed critical minerals extraction or processing projects;
942 (B) anticipated infrastructure improvements;
943 (C) projected economic benefits to the county; and
944 (D) evidence of local support including any interlocal agreement entered into
945 between the county or municipality and the council, as applicable;

- 946 (iv) if the applicant is a municipality, evidence of coordination with the county in
947 which the proposed critical minerals zone is located, including any interlocal
948 agreement entered into between the county or municipality and the council, as
949 applicable;
- 950 (v) if the applicant is a county and any portion of the proposed critical minerals zone
951 is within the boundaries of a municipality, evidence of an agreement with the
952 municipality regarding the establishment of the critical minerals zone; and
953 (vi) any other information required by the council.
- 954 (3) A state land use authority may:
- 955 (a) propose a critical minerals zone within lands under the state land use authority's
956 jurisdiction; and
- 957 (b) apply to the council for the designation of a critical minerals zone by submitting:
- 958 (i) a description of the proposed boundaries of the critical minerals zone;
959 (ii) an assessment of existing critical minerals extraction or processing infrastructure
960 within and proximate to the proposed critical minerals zone;
961 (iii) a development plan that includes:
- 962 (A) proposed critical minerals extraction or processing projects;
963 (B) anticipated infrastructure improvements; and
964 (C) projected economic benefits;
- 965 (iv) evidence that the proposed critical minerals zone is consistent with applicable
966 land use plans and regulations; and
967 (v) any other information required by the council.
- 968 (4) The council shall:
- 969 (a) approve an application for a critical minerals zone designation if the application
970 demonstrates:
- 971 (i) the proposed critical minerals zone includes land suitable for critical minerals
972 extraction or processing development based on:
- 973 (A) adequate transportation access; and
974 (B) sufficient land area for proposed development; and
- 975 (ii) the critical minerals zone plan:
- 976 (A) aligns with state critical minerals objectives and policy under Section
977 79-10-201;
978 (B) includes realistic timelines and milestones;
979 (C) identifies specific infrastructure improvements; and

- 980 (D) quantifies projected economic benefits;
- 981 (b) make a determination on an application within 60 days of submission;
- 982 (c) provide written notice to the applicant explaining the basis for approval or denial;
- 983 (d) if a critical minerals zone overlaps with an area designated by a community
- 984 reinvestment agency as a community reinvestment project area as of May 6, 2026,
- 985 enter into an agreement with the community reinvestment agency to determine the
- 986 percentage division of the property tax differential between:
- 987 (i) the Critical Minerals Development Account; and
- 988 (ii) the community reinvestment agency; and
- 989 (e) if a critical minerals zone overlaps with a project area of a state land use authority,
- 990 enter into an agreement with the state land use authority to determine the percentage
- 991 division of the property tax differential between:
- 992 (i) the Critical Minerals Development Account; and
- 993 (ii) the state land use authority.
- 994 (5) Within 30 days after the council designates a critical minerals zone:
- 995 (a) the county auditor shall certify to the council the base taxable value of property
- 996 within the critical minerals zone; and
- 997 (b) the county shall transmit to the council copies of the property tax assessment rolls for
- 998 the property within the critical minerals zone.
- 999 (6)(a) Each year, the county auditor shall:
- 1000 (i) determine the amount of the property tax differential for the critical minerals zone
- 1001 by comparing:
- 1002 (A) the current assessed value of property within the critical minerals zone; and
- 1003 (B) the base taxable value of property within the critical minerals zone;
- 1004 (ii) inform the county treasurer of the property tax differential amount; and
- 1005 (iii) provide notice to the council of the amount calculated under this Subsection
- 1006 (6)(a).
- 1007 (b) The county treasurer shall transfer the property tax differential to the council for
- 1008 deposit into the Critical Minerals Development Account created in Section 79-10-701,
- 1009 subject to any agreements entered into under Subsections (4)(d) and (4)(e).
- 1010 (c) The county treasurer shall make a distribution required under this section:
- 1011 (i) at the same time as regular annual property tax distributions; and
- 1012 (ii) using the same method as other property tax distributions.
- 1013 (d) For property tax differential not subject to Subsection (4)(d) or (4)(e), the council

1014 may enter into agreements with taxing entities regarding the allocation of the
 1015 property tax differential.

1016 Section 15. Section **79-10-501** is enacted to read:

1017 **Part 5. Critical Minerals Atlas**

1018 **79-10-501 (Effective 05/06/26). Critical Minerals Atlas created -- Processes to be**
 1019 **developed.**

1020 (1)(a) The Division of Oil, Gas, and Mining shall lead a joint effort with the Utah
 1021 Geological Survey and Office of Energy Development to organize and maintain a
 1022 clearinghouse of geological data related to critical minerals known as the "Critical
 1023 Minerals Atlas."

1024 (b) The purpose of the atlas is to:

1025 (i) compile reliable data that can be used by:

1026 (A) the council, including the council using the data in developing the strategic
 1027 plan required under Subsection 79-10-302(1);

1028 (B) other government agencies;

1029 (C) academia; and

1030 (D) private entities; and

1031 (ii) reconcile differences in the data submitted to the atlas.

1032 (2)(a) The agencies described in Subsection (1)(a) shall:

1033 (i) develop a process by which a state agency, state institution of higher education, or
 1034 private entity, including a nonprofit entity, may submit information to the atlas;

1035 (ii) recommend which state agencies and state institutions of higher education should
 1036 be required to submit data to the atlas;

1037 (iii) develop a process by which differences in the data submitted to the atlas may be
 1038 reconciled; and

1039 (iv) develop policies consistent with Title 63G, Chapter 2, Government Records
 1040 Access and Management Act, related to confidentiality of information submitted
 1041 to the atlas.

1042 (b) The Division of Oil, Gas, and Mining shall report the processes, recommendations,
 1043 and policies described in Subsection (2)(a) to the Natural Resources, Agriculture, and
 1044 Environment Interim Committee by no later than October 1, 2026.

1045 Section 16. Section **79-10-601** is enacted to read:

1046 **Part 6. Minerals for Industrial, National, and Economic Security Center**

1047 **79-10-601 (Effective 05/06/26). Minerals for Industrial, National, and Economic**
1048 **Security Center process for creation -- Governance.**

1049 (1) There is created under the general supervision of the council a center known as the
1050 "Minerals for Industrial, National, and Economic Security Center," to serve the
1051 objectives described in Section 79-10-602.

1052 (2) The council shall create a plan and budget for the center that address:

1053 (a) the governance of the center;

1054 (b) the operations of the center;

1055 (c) how the creation and activities of the center are to be funded; and

1056 (d) other issues the council determines are relevant to the governance and operations of
1057 the center.

1058 (3) The council shall report the council's development of a plan and budget under this
1059 section to:

1060 (a) the Executive Appropriations Committee by no later than the 2026 September
1061 meeting of the Executive Appropriations Committee; and

1062 (b) the Natural Resources, Agriculture, and Environment Interim Committee by no later
1063 than the 2026 October interim meeting of the Natural Resources, Agriculture, and
1064 Environment Interim Committee.

1065 Section 17. Section **79-10-602** is enacted to read:

1066 **79-10-602 (Effective 05/06/26). Center objectives.**

1067 The center shall:

1068 (1) serve as the state's primary partner for issues related to developing critical mineral
1069 extraction and processing from research to commercialization, including:

1070 (a) workforce training;

1071 (b) the testing and piloting of technology;

1072 (c) federal grant coordination; and

1073 (d) development of processing capacity;

1074 (2) coordinate the center's operations with the strategic plan established by the council in
1075 accordance with Subsection 79-10-302(1);

1076 (3) partner with industry and academia to:

1077 (a) develop processing and separation processes;

1078 (b) provide technology benchmarking and performance validation;

1079 (c) provide pilot-scale demonstrations and scale-up;

1080 (d) integrate physical, chemical, electrochemical, and thermal processing; and

1081 (e) provide for autonomous sampling and real-time analysis; and
 1082 (4) lay groundwork for securing federal designation of an entity within the state as a United
 1083 States critical minerals national laboratory.

1084 Section 18. Section **79-10-701** is enacted to read:

1085 **Part 7. Fiscal Matters**

1086 **79-10-701 (Effective 05/06/26). Critical Minerals Development Account.**

- 1087 (1) There is created within the General Fund a restricted account known as the "Critical
 1088 Minerals Development Account."
- 1089 (2) Subject to appropriation, the council shall administer the Critical Minerals Development
 1090 Account for the purposes described in Subsection (5).
- 1091 (3) The Critical Minerals Development Account consists of:
- 1092 (a) revenue deposited into the Critical Minerals Development Account under Section
 1093 79-10-403;
- 1094 (b) money appropriated by the Legislature;
- 1095 (c) federal money;
- 1096 (d) donations or grants from public or private entities; and
- 1097 (e) interest and other earnings earned on money in the Critical Minerals Development
 1098 Account.
- 1099 (4)(a) The Critical Minerals Development Account shall earn interest.
- 1100 (b) The state treasurer shall invest account money in accordance with Title 51, Chapter
 1101 7, State Money Management Act, and credit the interest and earnings from the
 1102 investments to the Critical Minerals Development Account.
- 1103 (5) Subject to appropriation, the council may use account money to:
- 1104 (a) pay the costs of administering this chapter;
- 1105 (b) fund the operations of the center in accordance with the plan and budget developed
 1106 by the council in accordance with Section 79-10-601;
- 1107 (c) facilitate critical minerals extraction and processing infrastructure development
 1108 within the state, including funding research, site selection, permitting, public
 1109 outreach, and other activities related to the development of critical minerals
 1110 extraction or processing infrastructure;
- 1111 (d) provide matching funds for federal critical minerals grants;
- 1112 (e) support critical minerals workforce development programs; and
- 1113 (f) provide incentives for critical minerals extraction or processing projects.
- 1114 (6) The council shall include a report of how money from the Critical Minerals

1115 Development Account was used in the annual report described in Section 79-10-302.

1116 **Section 19. FY 2027 Appropriations.**

1117 The following sums of money are appropriated for the fiscal year beginning July 1,
1118 2026, and ending June 30, 2027. These are additions to amounts previously appropriated for
1119 fiscal year 2027.

1120 **Subsection 19(a). Operating and Capital Budgets**

1121 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the
1122 Legislature appropriates the following sums of money from the funds or accounts indicated for
1123 the use and support of the government of the state of Utah.

1124 ITEM 1 To Department of Natural Resources - Critical Minerals Council

1125 From Infrastructure and Economic Diversification

1126 Investment Account 1,000,000

1127 From Infrastructure and Economic Diversification

1128 Investment Account, One-time 10,000,000

1129 Schedule of Programs:

1130 Critical Minerals Council 11,000,000

1131 **Section 20. Effective Date.**

1132 This bill takes effect on May 6, 2026.

1133 **Section 21. Coordinating S.B. 254 with H.B. 373.**

1134 If S.B. 254, Critical Minerals Amendments, and H.B. 373, Higher Education

1135 Innovation, both pass and become law, the Legislature intends that, on July 1, 2026:

1136 (1) Subsection 53H-8-211(4)(a)(ii)(C) enacted in H.B. 373 be amended to read:

1137 "(C) ensure that the eligible research areas described in Subsection (4)(a)(ii)(A) reflect the
1138 state's priority industry clusters and public policy needs and include critical minerals projects
1139 that are consistent with the strategic plan of the Critical Minerals Council created under
1140 Subsection 79-10-302(1);"; and

1141 (2) Subsection 53H-8-211(5)(a) enacted in H.B. 373 be amended to read:

1142 "(a) the eligible research areas described in Subsection (4)(a)(ii) and the extent to which the
1143 areas reflect the state's priority industry clusters and public policy needs, including critical
1144 minerals projects described in Subsection (4)(a)(ii)(C); and".